

2019 ACA SUMMIT CHICAGO 24-26 APRIL

I was privileged to attend this summit, my first as a relative newcomer to Angel investing with Ice Angels although I attended the NZAA Summit in Blenheim last year. The ACA is the World's largest angel association with over 13000 investors and 250 organisations in every state in the USA. My first impressions are unapologetically reprinted here from my progress report:

Chicago is big, the buildings massive, the roads wide, the river deep and broad. The scale of the City serves to emphasise how small we are in the Investment World, how the scale of investment numbers in the USA dwarfs ours.

So it was shown in our first visit to start-up investment hub the Polsky Centre with strong connections to Chicago University. Polsky has incubator/accelerator and small business growth programmes using undergraduates and Campus facilities to mentor start-ups. Since 2014 Polsky incubator companies have raised \$37 million in external capital and 2/3 of them remain in operation.

The next day Troy of MATH Ventures gave us a clear run down on their 2 main funds, the first of which has 16 companies operating profitably of which just one is expected to fail.

Gayle Bowman and her team of 3 young female staff described the operation of the successful Irish Angels whose funds currently stand at \$23m. ACA presentations show them to be in the top ten performers amongst ACA groups.

The morning of the Conference start saw two of us attending the education session on Term Sheets, the first important session for us beginners. Kevin Learned (apt name) skilfully led us through the processes that go into term sheet negotiations in tandem with Gary Kocher, a tax lawyer. They talked about start-up organisational options and non equity securities outlining different structures to future proof both company changes i.e. further funding and founder issues although the tax solutions tended to centre on C Corps and exits.

Investor concerns were covered in detail and we were introduced to methods of valuation, round sizes, option pools and liquidation preferences. I will talk in more detail in my conference report but this session was more than just term sheets...I got an excellent analysis of Convertible Notes!

Key take out? Be meticulous in term sheet planning and negotiation, thoroughly future proof and be sure what you ultimately want from the investment.

Managing not to drown in the info flood!

Highlights, learnings and interesting people

Kevin Learned of the Boise Angel Alliance gave a 3 hour presentation on Term Sheet Basics assisted by Gary Kocher a tax lawyer of K&L Gates. I also had an opportunity to expand on this and got to know Kevin at our Leading Lights Dinner. The first discussion centred around organisational options with start-ups, much of which are US IRS specific, but Kevin strongly favoured limited liability companies for investors who are assigned preferential shares. Convertible debt notes were mentioned but not strongly recommended, although in certain circumstances they could be appropriate.

The key terms: --Deal economics (how much?), Investor rights and protection (e.g. anti-dilution), Management and control (Board seats?), and exits and liquidity (rights)

Because I think they are useful I will list Kevin's tips here:

- Always raise more than you think you will need
- Valuations are very important because real world outcomes are not binary and a high post-money valuation increases risk of failure.
- Last money in makes the rules
- Carving out an option pool has a huge effect on founder ownership and pre-money valuation
- Strongly recommend a competent and experienced investor director on the Board
- Investors should seek Board approval rights for things affecting company capitalisation
- Pro-Rata rights are essential, participation rights needed. Anti-dilution protection essential too.
- Make sure original terms do not restrict future rounds
- Establish future rights

(2) We met **Pete Wilkins of Hyde Park Angels**, who are probably the most active early stage investors in the Midwest. Their size in membership can be compared to Ice Angels with over 100 active members but since 2007 they have raised \$900m with a current portfolio of 50 companies, illustrating the huge scale that exists there. This year they have invested in \$11.9m 14 deals, mostly in-State, never offshore.

(3) **Carla Harris** of Morgan Stanley spoke about IPO markets and Early Stage Investing.

She reflected on Founder issues and raised questions to be considered, e.g. "Be on the lookout for Founder fatigue." Also:

Is your founder coachable or do they demonstrate resistance?

There is a big difference between Founder and CEO; one has vision but the other is a leader.

Who interviews staff?

Do they know how to fail?

Why are they the natural owner of the enterprise?

(4) **Impact Investing** can be defined as the intention to generate social and environmental impact alongside financial return. This was a constant theme during the Summit and highlighted by the selection of companies pitching in the **Innovation Showcase**. 60 companies throughout the week who sought support (and a prize!) were mostly about life science or medical devices.

Frequently mentioned alongside Diversity as an important driver in today's Angel Investing World (e.g. Next Wave Impact), the message was "Align your investing with your values!"

(5) **John Lilly** of Lateral Capital took our prize for the most entertaining presentation of the week, "My Biggest Mistakesso far!" And with his adage 'Mistakes are our secret source' set out how we can learn from his and others' mistakes.

He revealed 7 of his most surprising mistakes out of 72 investments alongside Angel groups and previewed several potholes Lateral Capital is looking to avoid going forward. His advice? Make new mistakes not the ones he has already made! His 3D model? Diversify Diversify Diversify!

Because I believe it good advice I include the presentation deck in the appendix. It makes good reading.

(6) Steve Flaim of Tech Coast Angels presented their views on Deal Flow and Reputation and I reproduce here Steve's summary:

Tech Coast Angels discovered from entrepreneurs that its reputation was that fundraising from an Angel group was "too much work, too little money" and did a lot about it (I have heard similar criticism in NZ).

In the last 2 years they have addressed 1. Behaviour 'we have thrown out toxic members'

2. Speed: we pledge to entrepreneurs that due diligence will be completed in the kick-off 3 hour meeting.

3. Certainty: We are focussed on getting to NO or YES quickly with no 'maybes' which are deadly

4. Funding we have an ACE fund that moves fast. Inspire 2/3 of our members and get a \$500k cheque immediately after DD complete...before our members write their first cheque.

Points to learn from here in NZ?

(7)John Huston and Wendee Wolfson: It was an honour to be seated between these two Angel Luminaries as my dinner companions (Thank you Suse!), not just for their reputations and experience to share but they are excellent company. Of course John's previous life's experience as a military pilot related to my own career which gave us a bottomless source of war stories while Wendee, of Next Wave Impact is a good friend of NZ Angels having attended our own Blenheim summit last year. It was she who organised our great night out at "Second City" comedy improv show which has spawned many notables in Saturday Night Live.

Early in the dinner I established where we all sat politically by determining what newspapers we read and was most gratified to be seated between two Democrats which allowed the conversation to flow unimpeded!

John is full of investment witticisms, e.g. "*When VCs join the board they blend in like gravy and grapefruit!*"

(8)Glen Murphy our NZTE representative in California (LA) is, apart from being a very useful contact in the USA is a great guy with a super helpful attitude and is a good first point of contact for those wishing to explore funding in the US. He believes that "As Angels become more networked internationally and more sophisticated in their approach.....US angels could represent a valid opportunity for early stage NZ companies." He enjoyed the summit and especially the close contact with us NZ Angels.

Glen.Murphy@nzte.govt.nz

(9)Ron Weissman from Band of Angels gave us his thoughts on investing in Artificial Intelligence, much of which went over my unscientific head. However from an investors' perspective he made some important points.

"AI is still an experimental field!"

There was a patent and publication explosion in 2012, it is the fastest growing field and Ron suggests that perhaps it is too fast. There has been a 10x funding growth now reaching \$2 billion a quarter increasing to \$9b pa.

The big corporations are spending 75% of all AI funding.

The message: treat all AI start-ups with extreme caution.

(10)Gale Bowman CEO of Irish Angels, who hosted us for a BYO lunch at their HQ and described how they were operating with a portfolio of \$23m, chaired a discussion on Positioning Companies for Exit, a subject dear to our hearts! One of the important points agreed upon was that exits must be discussed in initial negotiations (i.e. “if the founder is in it for a lifetime tenure then I am not interested!”) and then discussed at least every 12 months. Irish Angels have an exit committee which meets regularly and helps portfolio CEOs think through exit strategy and take the right steps to better position the company for an eventual exit.

The theme of ‘diversity’ is often mentioned, following on from our own Summit last year. The presentation “The Future is Female” where a four-woman panel asked questions around diversity forcefully pushed the female inclusivity barrow and I quote their summary:

“Start-ups drive innovation but who is getting funded? Primarily young white males from around 3 cities in the USA (really?) Women entrepreneurs are uniquely qualified to identify and solve the World’s most critical environmental challenges with the insights they garner from making 85% of consumer purchases and 80% of healthcare decisions. How do we get more capital to those entrepreneurs to solve those problems at scale? Women investors (and founders) are an important part of the answer.

Check out www.nextwaveimpact.com to explore impact investing and gender equity.

Biggest disappointment? The failure of the NZ Consul-General to appear for our scheduled meeting after a long cold walk! Surprisingly he was not invited to our dinner.

On our last full day together we had the pleasure of visiting **Lanzatech** and Sean **Simpson**, often referred to as a ‘rock-star of NZ start-up founders’. Now based in Chicago Sean showed us around his chemical plant where methods of converting waste materials into ethanol and ultimately carbon products are being developed. The company has large conversion plants in China and India and will eventually be world-wide in what must be the most important impact project on the Planet. Sean is very affable, a great communicator and a favourite of ours after his presentation at the NZAA Summit last year.

To conclude

I was warned by John O’Hara before I left that these summits are “like drinking water from a fire hydrant”...no exaggeration! To my inexperienced angel mind much of what I heard and experienced bounced into the ether but some great stuff stuck, some of which I have described here. It was an experience I would heartily recommend to anyone with the least interest in the start-up investment world. My thanks primarily to Suse for such a wonderful organisational job but also to my fellow Kiwi Angels Taylor, Nina, Max, Vlad and to Glen of NZTE for their great company, support, and above all my BIRTHDAY PREZZIE!

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My Schedule

Visits to: Polsky
Math Ventures Troy Henkoff
Irish Angels Gale Bowman
Hyde Park Angels Pete Wilkins

Orientation for new attendees

Keynote by Carla Harris

Innovation showcase pitches

Angel Building Blocks: Learning from Data
Exits in our portfolios

Impact Investing

How to negotiate a win-win-win for everyone in a deal.

My biggest investor mistakes ...so far

Artificial Intelligence

Positioning companies for exits

How Angels should nurture portfolio companies to survive economic downturn.

Here is the links to John Lilly's fun presentation and to some business cards I pocketed:



190423 Our Biggest
Mistakes for ACA Sum



Final biz cards
ACA.pdf



Angel Capital Association Conference Chicago, USA April 2019 - Trip Report

Overview:

I attended the ACA Conference in Chicago on behalf of our recently formed Angel Investors Marlborough (AIM) organization. I am also, personally, new to being involved in an Angel Investing organization and this was my first time attending an ACA conference. As an active board member of AIM, I set out to the ACA Chicago conference with a few goals: ...

- **Angel Group Management:** As a new, active, and growing Angel organization, I was interested in key best practices from others with regard to managing their organisations. One of my specific interests was learning what *Angel Systems* others are using/recommend (**ie- Gust, Syndex, Venture360 etc**)
- **Key Topics:** Trending Industries/Deals, Cloud Systems, Portfolio Management, Deal Flow, Due Diligence, Member Engagement/Communication, Meeting/Pitch Night Best Practices, Founder Engagement/Reporting, etc
- **Global Angel Investing:** best practices for international deals, how can we get introduced to more good opportunities and vice versa with sharing our good opportunities with overseas investors

Key Takeaways:

- **Angel Group Management**
 - **"Hand's Up" or Feedback forms** – a simple, effective, and easily actionable concept to get more Members attending follow-on / deep dive sessions after initial pitch (**Enterprise Angels NZ** have good feedback form system)
 - **Reporting from Founders:** Opportunity for our group to put simple processes in place that can prevent 'surprises' and ultimately generate better returns and better relationships with founders
- **Systems for Angel Group Management:** I asked nearly every person I encountered at the conference about which systems they were using. There were only a few groups that stood out as being very 'systems-oriented' with regard to how they managed their Angel organizations (good examples - Irish Angels and Hyde Park...who are also some of the most successful groups)
 - **Seraf, ProSeeder, Gust** were most popular
 - See Appendix for more detailed info
 - *NOT of immediate interest to AIM, currently working on utilizing secure Google Drive platform to organize information and streamline work efficiency using Cloud-based system*

- **Data – [ACA & HockeyStick](#):** ACA has partnered with Hockeystick, an online data analysis platform, in an effort to start gathering and analyzing more data from its Member organizations and thus being able to provide better insights about investing. It is clearly focused more on USA Members at the moment, but they are still interested in us providing data too (Canada and AU already involved..I think).
 - Angel Groups can likely expect increasing amounts of ‘data-oriented’ efforts to complete more industry analysis
- **Syndication:** not uncommon, but no set standard for structure/operations etc
 - **[Angel Syndication Network \(ASN\)](#):** ACA sub-group, monthly calls/webinars
 - [VentureSouth](#) – structured syndicated/almost franchised set up..founders provide webinar recording of presentation to help with screening, then sent out on roadshow to do in-person presentation at the other VentureSouth network groups.
 - **Industry Syndicates:** good option for like-minded investors to effectively collaborate by only working on deals within industry of their interest (ex: Life Sciences, Impact Investors...Global!)
 - **Trust and relationships** are key to coordinating syndicates with other like parties
 - “Cherry-picking” good deals is mostly myth, most groups within syndicate can’t fund entire rounds anyway
 - **Expensive works** – establishing a competitively priced fee structure within syndicates is MOST effective. Cheap does not.
 - **Due Diligence can be tricky** – out of everything discussed, this seemed to be a difficult topic (ex – multiple groups within syndicate will still do their own due diligence, which can slow the process considerably)
 - DD/Screening Committees for syndicate much more efficient



- **VCs and Sidecar Funds:** Collaborating with VCs and/or having a sidecar fund seems to be ‘the norm’ among many of the groups we spoke with in the States. Angel groups should establish healthy relationships with VCs for long term success.
 - **Funds** – very common, *worthy of consideration for AIM*
 - **Secondary Markets:** Only heard brief discussion about VCs working with Angels via secondary market structure when investing in same founder
 - One specific example was in the form of VC explaining he will offer to buy out Angels at point of major investment rounds...there were mixed emotions in the room from Angels, these situations are not always friendly encounters...which makes it all the more important to develop strong relationships with VCs

- **Global Angel Investment Interest (slowly) Growing**

- **NEW! Monthly Global ACA Conference Call**

- ACA set to organize a monthly, global conference call in hopes of increasing international deal flow and support for international deals. More info to come...*(not sure if AIM needs to officially register as an ACA member in order to get involved?)*
 - [ACA Global Investor Portal](#) need ACA member login to access
 - International Calendar of Angel Events – also in the works

- **TRUST & Relationships are critical, especially for international deals**

- To no surprise, trust and strong relationships are key factors in making international Angel deals happen. This was mentioned by nearly every international presenter – same scenario of syndication.
 - The reasons for this are quite obvious, but it was a good reminder that it is important for AIM members to attend these kind of events, as we are 'young' and can stand to benefit by meeting/learning from others within NZ + Internationally.

Conference session insights and highlights

Advanced Capitalization Table Workshop – Matt Dunbar, Venture South

[Advanced Cap Table Resources](#): Templates, Presentation Materials etc

- A challenging workshop, but highlighted the importance of understanding Cap tables AND using them often, to the advantage of everyone involved in investment deals
- *Cap Table Template*: there is no one size fits all template - too many different variables/situations to make that ever possible
 - example template used in workshop still needed minor updates, will be sent out...key point is still to focus on understanding what's IN the template (knowing which formulas to use, with which variables, and which point in time...and accounting for the many different components involved in forming an accurate cap table
 - **SAVE/LOCK a 'reference' tab**, work off duplicated tab, save/lock finished version to prevent errors when using spreadsheet for future rounds (should duplicate final version, lock it, then work off next duplicated tab in next round..then repeat!)
- Topics covered:
 - Cap table basics (who owns what)
 - Updating Cap table to reflect changes in share %,\$,#s after each round of funding...did a multi-round example
 - Valuation: art+ science...using cap table can help determine valuation AND evaluate future funding scenarios more effectively
 - Convertible notes - important consideration to keep in mind, although not always displayed within cap tables

- EXITs - Used 'Waterfall' section of template to accurately determine/account for prioritization of funds at exit, as well as who gets what (learned calculations through waterfall analysis)
 - Vesting Schedules/Term Sheets: quick mentions of both topics, with vesting - discussion focused on helping founders 'truly' evaluate initial split (50/50 is not always best)
 - GOAL Seek Scenario: determining IRR using excel 'Goal Seek'
 - *It was mentioned there was more info about this in appendix of slides, quick look and didn't find. Worth looking back into at some point*
 - **Complete Cap table with founders during DD process** (need for education/coaching), also good practice to request an updated Cap table from portfolio companies annually
- Key Takeaways...**CAP TABLES ARE IMPORTANT**
 - Straightforward when company is young, but gets complicated quickly.
 - Best to think with 'exit focus' at very beginning of putting together cap table to best protect founder
 - Suggested best practice – request cap table from your founder at beginning, and 1x a year as part of annual reporting process.
 - PRACTICE, PRACTICE, PRACTICE: Every scenario is different, and it is in the best interest of everyone involved (founders and investors) to sit down together (required blocking out time) and complete together or fully review and understand how key figures were derived

Impact Investing: “[Measuring Impact and Returns](#)” - Bob Bridge, Southwest Angel Network and Kristina Montague, The JumpFund/ Next Wave Impact.

- This session focused on helping impact investors better understand measurement and reporting tools and establishing appropriate procedures. Also good case study discussions highlighting the need to “weigh” true impact of new impact ventures (ex – if new sustainable shoe company causes more pollution to create the shoe than the potential positive environmental impact it may have, then it may not be worth creating at all).
- *Impact Investing refers to investments made into companies, organizations, and funds with the intention to generate a measurable, beneficial social or environmental impact alongside a financial return*
- Monthly call for Impact Investors in USA

Trending Industries:

- **CannTech / HempTech**: This is a growing industry, something that NZ will begin to see more of...Angels seem to be more involved in Hemp (CBD) and VCs seem to be more in the CannTech space (bigger risk requiring bigger dollars)
- Eldertech
- “Life Sciences” – LOTS of medical/bio founders...LOTS
- Impact Investing

APPENDIX:

ACA Chicago Conference Materials:

"Thanks for coming to Chicago for the 2019 ACA Summit. Many of the materials for the sessions including select keynotes, breakout sessions, company presentations, and hot topic roundtables [are now available](#) for ACA Summit attendees. As we receive more materials, we will post them right away.

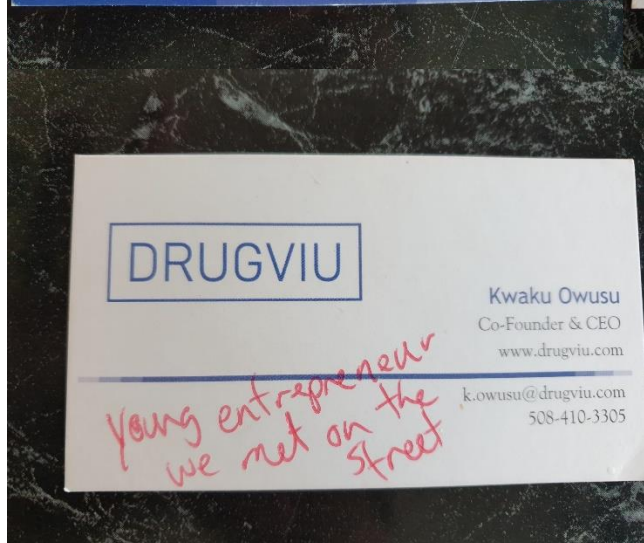
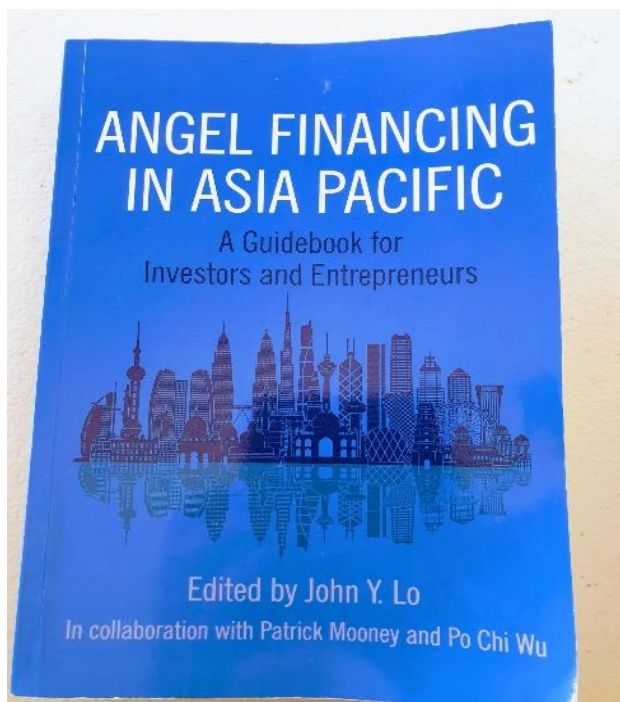
To [access materials](#), please use your ACA member login or the following:

USER: Chicago2019

PSWD: @caSmmmt

Angel Systems:

- **Seraf** - <https://seraf-investor.com/> Portfolio management tool, mentioned by several different angels met so far. Developed out of Boston area Angel
 - 'Advanced' Subscription" \$250/year
 - Current & Exited Investment Tracking, Deal Stage Tracking, Date Tracking & Reminders, Quarterly Statements, Document Storage, Portfolio Analytics, Basic Support, Tracking for Investments in Funds,
 - Pro Subscription \$500/year
 - ALL ABOVE + Equity Valuation Modeling, Investment Entity Tracking (Trusts, IRAs, LLCs, etc.), More Document Storage, Enhanced Support
- **Gust** <https://gust.com/> - deal flow management, used by Irish Angels and many others. Website claims to be helpful with syndication (questionable based on conversations)
 - Free!
- **ProSeeder** <https://www.proseeder.com/> mentioned by several as system of choice
 - From ACA website "*The [ProSeeder](#) funding platform equips Angel Groups and VC firms with an enterprise solution that manages the complete deal process and all Angel Group operations. Boasting a fully integrated VDR (Virtual Data Room) for due diligence, social media networking features for member events and payments, tasks and messaging, ProSeeder provides the necessary operational tools to efficiently move deals from screening to the closing binder. Syndicate with confidence, as ProSeeder controls and tracks access to all internal documents and communications. ProSeeder is Your platform, at Your web domain, fully branded and customized for You.*"
From <<https://www.angelcapitalassociation.org/proseeder/>>
- **HockeyStick** - <https://www.hockeystick.co/> Data analysis platform, still working on building portal to collect data, not quite management system
- **COPPER** - CRM tool used by Irish Angels, they claimed that Salesforce/other CRMs did not meet the needs of Angel/VC.





Frank D. Crowl, M.D.
fdcrowl@wilmingtoninvestor.com
www.wilmingtoninvestor.com
c) 910.262.2240
One Cedar Island, Wilmington NC 28409

Frank was
friends w/ the Russies.
He went to the same
high school as my
Mom in Kansas!

REIDAR WASENIUS

Managing Director
+358 400 432 100
reidar.wasenius@fiban.org
@ReidarWasenius

Finnish Business Angels Network
Kampin Huippu, Urho Kekkosen katu 2 C
00100 Helsinki, Finland

fiban.org



EBAN (Europe
Angels)

Conference
Helsinki: June 19'

StreamlineSM
Syndicate Services



Kevin Learned
partner

(208) 989-7164
kevin@looncreekcapital.com



National Institute
on Aging

Maureen Thomas
Translational Research Small Business Outreach
National Institute on Aging



@NIA_SBIR



NIATranslationalSB@mail.nih.gov



301-827-4580



301-402-2945



Peter Adams

Executive Director- Rockies Venture Club

Managing Partner- Rockies Venture Fund

(720) 353-9350



@AngelCapital

www.RockiesVentureClub.org

www.RockiesVentureFund.com

peter@rockiesventureclub.org

peter@rockiesventurefund.com

ADAIR LEADERSHIP CONSULTING LLC

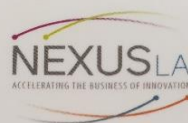
FRED ADAIR

OFC: 617-332-0482

CEL: 617-797-6157

fadair@adairleadership.com

www.adairleadership.com



7117 FLORIDA BLVD | BATON ROUGE, LA | 70806 · NEXUS-LA.ORG

TODD LOWERY

DIRECTOR - INVESTMENT READINESS PROGRAM

(225) 218-1100

TODD@NEXUS-LA.ORG

**LUCE FARM
WELLNESS™**

David Barash
CEO

269R Main St. Bethel, VT 05032

(802) 272 7883

Dave@lucefarmwellness.com

Mike Flanagan

VICE PRESIDENT, ANN ARBOR SPARK / MANAGING DIRECTOR MI ANGEL FUND

734 679-6370

mike@annarborusa.org
miangelfund.com

StreamlineSM
Syndicate Services

Kevin Learned
partner

(208) 989-7164

kevin@looncreekcapital.com

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LAURELLE BANTA

CHIEF OPERATING OFFICER

LAURELLE@NUMIXMATERIALS.COM

(904) 553-1868

CHICAGO, ILLINOIS



PRATHNA RAMESH

MANAGING DIRECTOR

T: 416.646.6235

C: 647.381.7840

PRATHNA@MAPLELEAFANGELS.COM
WWW.MAPLELEAFANGELS.COM



WIN

WILMINGTON INVESTOR NETWORK

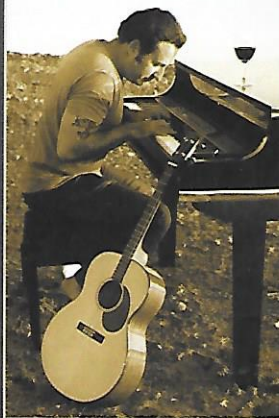
Frank D. Crowl, M.D.

fdcrowl@wilmingtoninvestor.com

www.wilmingtoninvestor.com

cj 910.262.2240

One Cedar Island, Wilmington NC 28409



Thomas LINSK

708.466.1856

www.ThomasLinsk.com

Thomaslinsk@hotmail.com

solo | duo | trio | band and dueling pianos



Peter H. Weiss

Chief Financial Officer

peter@joyluxinc.com

206.890.4792 direct

206.219.6444 main

206.219.6445 fax

1430 34th Avenue Seattle, WA 98122
www.joyluxinc.com



Jessica Boling

Director of Operations

360-202-2870

jessica@siliconpastures.com

10437 W Innovation Dr. #100

Wauwatosa, WI 53226



EcoKMC LLC

美国生态科姆创公司

Catherine Zhou

周清理

CEO

首席执行官

Cell(US): +1.310.384.9160

Cell(China): +86.1866257.0100

catherine.zhou@ecokmc.cn

2107 Marshallfield Ln, #A, Redondo Beach, CA 90278, USA

美国·加州·雷东多海滩市

www.ecokmc.com



NEW ZEALAND
TRADE & ENTERPRISE
Te Taurapa Tuhono

Glen Murphy

Investment Director -
North America

Glen.Murphy@nzte.govt.nz



New Zealand Consulate General
2425 Olympic Boulevard, Suite 610 East
Santa Monica, CA 90404
USA



US Angel Capital Association Conference

24-26 April 2019

Trip Report - Vlad Kozak (IceAngels member)

Overview

I joined IceAngels about 2 years ago, have invested in about 14 companies since then and attended the NZ Angel Conference in Blenheim in 2018. This was my first visit to an ACA Summit. I chose sessions that would help :-

- refine my own angel investing strategy
- understand what kind of exits and returns US angel investors have achieved over what period of time and any other interesting and relevant data relating to this
- what the success factors were in exits they had and how that affects the DD they do
- improve my understanding of terms sheets

From the sessions I attended, I was able to achieve my objectives for attending. Along the way, not only did I realise I knew more than I thought I knew and that my gut feel was on track, but the conference was really invaluable to help me fill in the gaps in my knowledge, and be more confident when looking at opportunities.

Key impressions

1. Attendees and sessions

- Most of the attendees seemed to be managers/teams from Angel Groups and Funds, vs an individual investor like me
- Having said that, there was enough content that was suited to both audiences, and it was good for someone new to angel investing to give them an insight into how angel investing works as well as a relative newbie like me to fill in some gaps.
- Really enjoyed the following sessions
 - i. Carla Harris
 - ii. Panel on data analytics
 - iii. Hockeystick and ACA analytics
 - iv. Strategies for valuation
 - v. Term sheet training

2. Data Analytics getting better

- I hadn't seen or heard of many good data analytics on NZ angel investments, especially in terms of portfolio returns in this asset class. While individual angel groups have their own analytics they have prepared, the ACA initiative to collate and report on all angel group data is a great idea.

3. Companies pitching in the Innovation Showcase

- Really good quality ideas

- Pitches were delivered by older people (45-60 years old) than I am used to...or is that a reflection of type of companies pitching (ie Life Sciences)
 - Very focussed pitches, they were only allowed 90sec each.
 - I asked Rick from CTAN and Dan from Alliance of Angels whether they believe the deals have been getting better over time, and they both replied that the pitches certainly are getting better and more polished (especially if they came through an incubator/accelerator), but the idea's and underlying businesses aren't.
4. Leading Lights dinner
- I was impressed by the turnout and quality of those attending the Leading Lights dinner; most of the ACA board, key people from the largest angel groups in the US, and conference presenters.
 - They all loved NZ
 - They must really respect NZ Angels and NZAA board, as the Thursday night was the big networking dinner night !
5. Systems
- Some people I spoke to had good systems to keep their community updated (vs email/dropbox), and portfolio management
 - Most groups have a portfolio management system but no-one seemed particularly happy with what they have nor with their communication/collaboration systems
 - Most seemed to use Gust and Proseeder

Key learnings for me

1. Think about the exit from the beginning
 - a. When asking the founder for the exit options, don't accept "IPO or sale". Push them. Make sure they have given focus and thought to the potential exit options, and who the acquirers might be and what they will be wanting to buy (data, geographical expansion, take out a competitor). Ideally they would build a matrix. Even if these options do not end up coming to fruition, it is the thought process that is the most important and it creates a strategic framework and measurable KPI's that can be reviewed at board meetings to create value, and is an indirect way of focussing on the exit strategy every board meeting.
 - b. Ask the founder what the milestones are that they see to get to the exit broken down into each cap raise. And then work backwards through those milestones and financials as the lens to view the current proposal/ask.
 - c. The anecdotal feedback was to look for trade sales in preference to IPO and VC funding.
 - d. I really liked the session on strategies for valuation; work out likely scenarios, your ROR and helps you understand what your valuation is in present value
 - i. 2-3 rounds of cap raising, valuations...and work backwards to what it would be worth today (NPV)
2. Diversification
 - a. The advice was to diversify to be sure you have a winner in your portfolio. Better to have 25 x \$1k investments than 3 x \$10k investments.
 - b. The other advice was to get into different sectors even if you don't know the sector. For me, I tend to only invest in companies in sectors I understand and where I "get" the ROI/value proposition they are selling to their customers. Since I don't really understand Life Sciences, I tend to avoid them. But the data would suggest Life Science exits are the best return exits. I'm still thinking about this one; there are so many good ideas, slick pitches, energetic and charismatic founders, and so little time, I'm not sure this one works for me, YET.
3. Invest in people, not ideas

- a. The conference confirmed for me that the investment is in the people and their ability to execute, vs the idea. There are so many good ideas that won't make it.
 - b. For every deal, I need to know from the founder : why you and why now. ie why will you specifically be successful with this idea and what circumstances/events make this a good time for this idea to work now.
- 4. Returns and data analytics
 - a. There is really good data analytics shared by some Angel Groups and by ACA/Hockeystick which bring to light the contributors to success and failure to inform future investments and with ACA's initiatives will only get better. I'd like to see how NZ and IA stats compare to these.
 - b. 20-30% IRR seems to be about what most are expecting from angel investment
- 5. Terms Sheets
 - a. I need to look in more detail at the terms sheet, including;
 - i. Stock vesting
 - ii. Information rights
 - b. The terms sheet should be kept as standard as possible, otherwise it will affect future round appeal
 - c. The terms sheet should be founder friendly; a highly-incented founder will create more value for everyone than an investor trying to achieve (slightly) higher shareholdings through fancy terms.
- 6. Other
 - a. Raising more money in subsequent cap raises is a good thing as this will fuel growth faster than the business waiting for breakeven and then being cashflow positive so that they can use that cash for organic growth.

Conference sessions attended

- Mon 22-Apr/Tue 23-Apr
 - Polsky visit - EJ Reddy
 - Irish Angels visit – Gale, Kaitlin, Teresa
 - MATH Ventures visit - Troy
- Wed 24-April
 - 8am – Training : Term Sheet Basics
 - 3pm – Keynote : Carla Harris
 - Drinks with Peter Wilkins from HPA, then dinner with NZ angel contingent
- Thu 25-April
 - 8.30am – Innovation Showcase and Keynote : Hardik Bhatt
 - 10.15am – Learning from Data – Exits in our Portfolios and the common themes we saw
 - 12.45pm – Hans Severiens Award and Innovation Showcase
 - 1.30pm – How to negotiate a win-win-win for everyone in a deal
 - 2.25pm – My Biggest Investor Mistakes So Far
 - 3.20pm – New and Improved DD strategies for Angels
 - Dinner – NZ Leading Lights
- Fri 26-April
 - 9.15am – How to evaluate strategy in Due Diligence
 - 10.15am – Positioning Companies for Exit
 - 11.15am – Strategies for Valuation
 - 12pm – Ending Plenary and close
 - Lanzatech site visit
 - Flew back to NZ 9pm

People I met and talked to

- Matt Dunbar from VentureSouth (I have his business card)
 - Southeast USA, based in South Carolina
 - Had a great chat with him at the Leading Lights dinner.
- Dan Rosen from Alliance of Angels
 - They funded Docusign, who did their IPO this year. The ROI on this investment was great, but it was 18 years !
 - Really interesting guy
- Rick Timmins from CTAN
 - Also a very interesting guy, sat next to him and his wife at dinner
- Tony Shipley
- Lunch with Chuck Stetson from Stetson Family Office
- John Harbison from Tech Coast Angels
 - Really liked their GrandPad investment.